

*This is the second in a series of three articles about sustainability. Pass this article on to others in your city or RWD, particularly board or council members.*

**T**he “ghost town ghost” is catching your town, village, district or other unit of government (let’s call all these entities a “town”). Now what?

Becoming a ghost town is wrenching. It turns the investments made by people in their homes and businesses into low-return, or even no-return investments. That often bankrupts people and businesses. Depression and other maladies can follow. In short, little good results from a town becoming a ghost town.

Becoming a ghost town is not inevitable for most. But, if your “town” loses its compelling reason to exist and local people and businesses do not want to invest what it will take to prevent it, “shutting down” may be in your future.

Shutting down is no picnic. But, shutting down may not mean totally stopping everything. Some services and functions will likely continue, at least for a while, but under new “management”:

- ◆ The town might disincorporate; if, where and in the way that is allowed; and assign responsibilities to higher levels of government – generally the county. Thus, the county might take over law enforcement, social services, road maintenance and the like.
- ◆ The county, or a nearby district, might take over ownership and operation of the town’s water, sewer and other utility services.
- ◆ If a utility can be a profitable venture, a private company may purchase it. This also happens in viable towns. Sometimes selling is a good town management strategy. Sometimes it is not. That will be discussed in a later article.

When a town heads down the road to ghost town status, some services the town provides will cease.

So far, I have been discussing functions of the “town”, the governmental entity. These are important, but they might only be the tip of the sustainable-place iceberg. There are lots of other things you should consider when faced with the “ghost town ghost”.

Business does not thrive in a ghost town. If you own a home, go to the grocery store, go to the gas station and take care of lots of other life and business needs locally, you will not be able to do that in a ghost town. You may find yourself driving an extra twenty miles a few times per week to satisfy your life needs. And, you may not be able to satisfy your business needs that way at all. As a result, you may

find the resale value of your home will drop or even go to zero without a hometown to support it.

In relation to business, government and utility services, we talk about “economy of scale.” That just means, the bigger something is, the cheaper it is to make things and do things. Granted, your small town may not have much economy of scale – selling bread, milk and gas are more expensive in a small town. But your

**Some towns have no choice. They will become ghost towns. But, they usually get to choose whether that event will be planned and orderly, or a haphazard and costly crash.**

personal economy of scale, when forced to drive far for everything, is not too good, either. At some price level, it is cheaper and less time consuming for you to buy local, keeping local business going, than it is to drive down miles and miles to a larger town.

Still, if the ghost is coming and cannot be stopped, it would be better if that is a planned event than a surprise. That way, people can make good decisions about where, and in what, they invest their money and time:

- ◆ A homeowner might: invest in a garden, yes; a \$50,000 addition to the house, no.
- ◆ A business might: build a \$500,000 plant expansion? Probably not. "Mine" the existing plant investment and get all they can out of it? Probably a good idea.
- ◆ If the town is going to completely shut down and the need for utility service is going to cease, utilities need to make plans, too: Invest in a brand-new whiz-bang treatment plant? Avoid it. Invest in upkeep so the existing plant will be functional until it is no longer needed, yes.
- ◆ Those in the "town" funding business, like private lenders and grant and loan agencies, have a stake, too. They must pick winners and losers if they are to invest well. Invest \$2 million in a whiz-bang treatment plant for a soon-to-be ghost town? Bad idea. Do the same in an ongoing concern town? Good investment, if everything else lines up, too.

Simplistically described? Yes. To get down to the real issues and options, people in a town need to have an open, honest and informed discussion. That discussion will be uncomfortable, maybe even painful.

To keep a town going, it takes a lot of investment by the town government and the people of the town. Work, planning, leadership and money; people will invest if they feel their town's sustainability is assured. Absent that, people will pull back. If your town has a compelling reason to exist and the wherewithal to exist, make that fact well known and "talk it up." People need reassurance to invest.

But, if survival is just not in the cards, be honest about that, too. Again, people need to make investment decisions. Help them make good ones.

**If your town has a compelling reason to exist and the wherewithal to exist, make that fact well known and "talk it up." People need reassurance to invest.**

One last plea. Don't pull the plug on your town unless that is the best course. Clearly, it takes a lot of work to keep a town successful. It takes a lot to wind one down well, too. If you are going to put in a lot of work anyway, why not aim at success? With expert help, you probably can achieve that.

Utility service is where most of the "rubber meets the road" in the life of a town. For help managing utilities, the Kansas Rural Water Association has a great set of experts. Greg Duryea with the Association is a good first contact. Greg gives lots of good, down to earth, utility management assistance and advice. In particular, Greg will help you figure out how to set proper rates, the life blood of all utilities. Give

Greg a call, and also visit <https://krwa.net/TECHNICAL-ASSISTANCE/Rate-Reviews> to learn more.

Avoid the ghost. But, if the ghost town ghost is going to catch you, don't let it be a surprise.

*Carl Brown is President of GettingGreatRates.com, which specializes in water, sewer and other utility rate analysis. The firm also serves as the RATES Program rate analyst for the Colorado, Kansas, New Mexico, North Dakota, Virginia and Wyoming rural water associations. Contact: (573) 619-3411; carl1@gettinggreatrates.com*



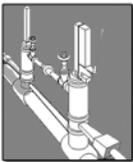
**-LINE STOPPING**  
3/4" - 60"

**-LINE TAPPING**  
2" - 60"

**-VALVE INSERTION**  
4" - 16"

**-VALVE TURNING**

**-PIPE REPAIR**



**FOR ALL YOUR POTABLE AND WASTE WATER NEEDS**

**WWW.MUNICIPALPIPESERVICES.COM**

## MUNICIPAL PIPE SERVICES

**BOB HENNIG**  
**SALES MANAGER**  
1615 WEST "J" STREET  
HASTINGS, NE 68902

1-800-395-7473  
CELL: 402-469-1886  
FAX: 402-462-4408  
E-MAIL: BOB@MUNICIPALPIPESERVICES.COM

